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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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10/784,105

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Craig P. Luftig

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11/17/2009

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EXAMINER

RAPILLO, KRISTINE K

ART UNIT

PAPER NUMBER

3626

MAIL DATE

DELIVERY MODE

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PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No. 10/784,105	Applicant(s) LUFTIG, CRAIG P.	
	Examiner KRISTINE K. RAPILLO	Art Unit 3626	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 22 June 2009.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-4,6,7,10-15,17,18,21-26,28,29 and 32 is/are pending in the application.
- 4a) Of the above claim(s) 5, 8-9, 16, 19-20, 27, 30-31 is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-4,6,7,10-15,17,18,21-26,28,29 and 32 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☒ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 22 June 2009 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date <u>8/30/2004; 7/24/2006</u> . | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Notice to applicant

1. This communication is in response to the amendment submitted June 22, 2009. Claims 1 – 4, 6 – 7, and 10 – 11 are amended. Claims 5, 8 – 9, 16, 19 – 20, 27, and 30 – 31 were previously cancelled. Claims 1 – 4, 6 – 7, 10 – 15, 17 – 18, 21 – 26, 28 – 29, and 32 are presented for examination.
2. **Please note:** the application number is incorrect in the header on the Amendment/Request for Reconsideration documents (pages 1 – 18). The application number documented is 10/748,105, rather than the correct number of 10/784,105. Appropriate correction is requested.

Drawings

3. The objections to the drawings are hereby withdrawn based upon the amendment submitted June 22, 2009.

Specification

4. The objection to the specification is hereby withdrawn based upon the amendment submitted June 22, 2009.

Claim Rejections - 35 USC § 101

5. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.
6. The rejection of Claims 1 - 4, 6 – 7, and 10 are withdrawn based upon the amendment submitted June 22, 2009.
7. Claims 11 – 15, 17 – 18, and 21 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. In order for a method to be considered a “process” under 35 USC § 101, a claimed process must either: (1) be tied to another statutory class (such as a particular

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apparatus) or (2) transform underlying subject matter (such as an article or materials). *Diamond v. Diehr*, 450 U.S. 175, 184 (1981); *Parker v. Flook*, 437 U.S. 584, 588 n.9 (1978); *Gottschalk v. Benson*, 409 U.S. 53, 70 (1972). If neither of these requirements is met by the claim, the method is not a patent eligible process under 35 USC § 101 and is non-statutory subject matter. With regard to claim 1, the method claimed by the Applicant is not tied to another statutory class as it recites the limitations “creating a defined contribution application ...”, “linking defined contribution plan information”, and “establishing allocation rules”. The method claimed does not include a particular machine, nor does it transform the data identifying the patient. The method steps recited in the body of claim 1 could reasonably be interpreted to encompass a human being performing these steps. Claims 12 – 15, 17 – 18, and 21 have similar deficiencies as noted above with regard to claim 1 and therefore are rejected for substantially the same reason.

The above deficiency can be overcome by expressly stating in the body of the claimed method, using a computer (apparatus) or terminal, for example, which makes the claim useful.

Claim Rejections - 35 USC § 103

8. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

9. Claims 1 – 4, 6 – 7, 10 – 15, 17 – 18, 21 – 26, 28 – 29, and 32 are rejected under 35 U.S.C. 103(a) as being unpatentable over Lencki et al., herein after Lencki (U.S. Publication Number 2002/0049617) in view of Kaehler et al. (U. S. Publication Number 2005/0086075 A1), hereinafter Kaehler.

In regard to claim 1 (Currently amended), Lencki teaches a computing system to integrate a defined contribution plan with a health plan comprising:

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- a claim processing system (paragraph [0111]);
- a health plan management software module (paragraph [0281]) where Lencki discloses customer service software which can be modified to encompass a health care plan; and
- a defined contribution management software module integrated with the health plan management software module (paragraphs [0093] and [0094]), both the health plan management and defined contribution software modules operable by the claim processing system to:
 - create a defined contribution application for the health plan to allow for the entry of information for the defined contribution plan (paragraphs [0271] and [0273]),
 - link defined contribution plan information to the health plan (paragraph [0184]); and
 - establish allocation rules and amounts for the defined contribution plan (paragraph [0084]);
 - Allocation rules and amounts for the defined contribution plan which comprises for the FSA, defining parameters including a claim submission method considered during FSA claim processing (paragraphs [0081], [0193], and [0206] where Lencki discloses an invention in which an employee contributes to an account where pre and post tax dollars can be contributed, which is equated to a flexible spending account.

Lencki fails to teach a system comprising: the defined contribution plan being either a Health Reimbursement Arrangement (HRA) account or a Flexible Spending Account (FSA) account; which comprises, for the HRA, determining whether HRA allocated amounts are to be carried over.

Kaehler teaches a system comprising: the defined contribution plan being either a Health Reimbursement Arrangement (HRA) account or a Flexible Spending Account (FSA) account (paragraphs [0033] and [0052]) which comprises, for the HRA, determining whether HRA allocated amounts are to be carried over (paragraphs [0033] and [0052]).

Therefore, it would have been obvious to a person of ordinary skill in the art at the time the invention was made to include a system comprising: the defined contribution plan being either a Health Reimbursement Arrangement (HRA) account or a Flexible Spending Account (FSA) account (paragraphs [0033] and [0052]) which comprises, for the HRA, determining whether HRA allocated amounts are to be

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carried over (paragraphs [0033] and [0052]) as taught by Kaehler, within the system of Lencki, with the motivation of allowing a participant (i.e. employee) of a health plan to choose how their health care funds, by way of an HRA and/or FSA, are distributed (Kaehler: paragraph [0044]).

In regard to claim 2 (Currently amended), Lencki and Kaehler teach the computing system of claim 1. Lencki further teaches a system comprising a claim processing defined contribution software module integrated with a health plan claim processing software module, both the health plan claim processing and defined contribution claim processing software modules operable by the claim processing system to: perform claim processing (paragraph [0111]; and determine a claim payment for a member based on the defined contribution plan (paragraph [0011]).

In regard to claim 3 (Currently amended), Lencki and Kaehler teach the computing system of claim 1. Lencki further teaches a system wherein the health plan claim processing and defined contribution claim processing software modules store a record of a claim payment for the defined contribution plan for access by a member, provider, employer, broker or employee of the health plan (paragraphs [0134] and [0135]).

In regard to claim 4 (Currently amended), Lencki and Kaehler teach the computing system of claim 3. Lencki further teaches a system comprising a network interface to couple the claim processing system to a network, wherein a member of the health plan utilizing a computing device accesses a record of a claim payment for the defined contribution plan through the network (paragraph [0196]).

In regard to claim 6 (Currently amended), Lencki and Kaehler teach the computing system of claim 1. Lencki further teaches a system wherein establishing allocation rules and amounts for the HRA comprises defining parameters including at least one of copays, deductibles, coinsurance, and patient liability portions that are considered for payment by the HRA during claim processing (paragraphs [0181], [0193], and [0206]). Lencki fails to teach an HRA.

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Kaehler teaches an HRA (paragraphs [0033] and [0052]).

The motivation to combine the teachings of Lencki and Kaehler is discussed in the rejection of claim 1, and incorporated herein.

In regard to claim 7 (Currently amended), Lencki and Kaehler teach the computing system of claim 1. Lencki further teaches a system wherein establishing allocation rules and amounts for the HRA comprises defining a member's allocation amount and tier (paragraph [0206]). Lencki fails to teach an HRA.

Kaehler teaches an HRA (paragraphs [0033] and [0052]).

The motivation to combine the teachings of Lencki and Kaehler is discussed in the rejection of claim 1, and incorporated herein.

In regard to claim 10 (Currently Amended), Lencki and Kaehler teach the computing system of claim 1. Lencki further teaches a system wherein establishing allocation rules and amounts for the FSA comprises defining parameters including an FSA allocation amount and that is considered during FSA claim processing (paragraphs [0081], [0193], and [0206]).

Method claims 11 – 15 and 21 repeat the subject matter of system claims 1 – 4 and 10 as a series of steps rather than a set of apparatus elements. As the underlying elements of claims 1 - 4 and 10 have been shown to be fully disclosed by the teaching of Lencki in the above rejection of claims 1— 4 and 10, it is readily apparent that the system disclosed by Lencki performs these steps. As such, these limitations (claims 11 – 15 and 21) are rejected for the same reasons given above for system claims 1— 4 and 10, and incorporated herein.

Method claims 17 – 18 repeat the subject matter of system claims 6 - 7 as a series of steps rather than a set of apparatus elements. As the underlying elements of claims 6 - 7 have been shown to be fully

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disclosed by the teachings of Lencki and Kaehler in the above rejection of claims 6 - 7, it is readily apparent that the system disclosed by Lencki and Kaehler performs these steps. As such, these limitations (claims 17 - 18) are rejected for the same reasons given above for system claims 6 - 7, and incorporated herein.

Machine-readable medium claims 22 - 26 and 32 repeat the subject matter of system claims 1 - 4 and 10 as the execution of a series of steps rather than a set of apparatus elements. As the underlying elements of claims 1 - 4 and 10 have been shown to be fully disclosed by the teaching of Lencki in the above rejection of claims 1— 4 and 10, it is readily apparent that the system disclosed by Lencki performs these steps. As such, these limitations (claims 22 - 26 and 32) are rejected for the same reasons given above for system claims 1— 4 and 10, and incorporated herein.

Machine-readable medium claims 28 - 29 repeat the subject matter of system claims 6 - 7 as the execution of a series of steps rather than a set of apparatus elements. As the underlying elements of claims 6 - 7 have been shown to be fully disclosed by the teachings of Lencki and Kaehler in the above rejection of claims 6 - 7, it is readily apparent that the system disclosed by Lencki and Kaehler performs these steps. As such, these limitations (claims 28 - 29) are rejected for the same reasons given above for system claims 6 - 7, and incorporated herein.

Response to Arguments

10. Applicant's arguments filed June 22, 2009 have been fully considered but they are not persuasive. Applicant's arguments will be addressed herein below in the order in which they appear in the response filed June 22, 2009.

Rejections Under 35 U.S.C. § 101

11. The 35 U.S.C. 101 rejections of Claims 11 - 15, 17 - 18, and 21 are maintained. The preamble was amended to include a computing system; however, no steps in the body of the claim were amended

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to tie the steps to a particular machine. Based on Supreme Court precedent and recent Federal Circuit decisions, the Office's guidance to an examiner is that a USC §101 process must (1) be tied to a particular machine or apparatus or (2) transform underlying subject matter (such as an article or materials) to a different state or thing. . *In re Bilski et al*, 88 USPQ 2d 1385 CAFC (2008); *Diamond v. Diehr*, 450 U.S. 175, 184 (1981); *Parker v. Flook*, 437 U.S. 584, 588 n.9 (1978); *Gottschalk v. Benson*, 409 U.S. 63, 70 (1972); *Cochrane v. Deener*, 94 U.S. 780,787-88 (1876).

To qualify as a USC §101 statutory process, the claim should recite the particular machine or apparatus to which it is tied, for example by identifying the machine or apparatus that accomplishes the method steps, or positively reciting the subject matter that is being transformed, for example by identifying the material that is being changed to a different state.

There are two corollaries to the machine-or-transformation test. First, a mere field of use limitation is generally insufficient to render an otherwise ineligible method claim patent eligible. This means the machine or transformation must impose meaningful limits on the method claim's scope to pass the test. Second, insignificant extra-solution activity will not transform an unpatentable principle into a patentable process. This means reciting a specific machine or a particular transformation of a specific article in an insignificant step, such as data gathering or outputting, is not sufficient to pass the test.

Here, Applicant's method steps fail the first prong of the new test because they are not tied to a particular machine. Further, Applicant's method steps fail the second prong of the test because no underlying subject matter has been transformed.

Rejections Under 35 U.S.C. § 103

12. In response to applicant's argument that there is no suggestion to combine the references and that the Office has not made a *prima facie* case of obviousness, the examiner recognizes that obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so found either in the references themselves or in the knowledge generally available to one of ordinary skill in the art. See *In re*

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Fine, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988) and *In re Jones*, 958 F.2d 347, 21 USPQ2d 1941 (Fed. Cir. 1992). In this case, it has been clearly set forth above in the 35 U.S.C. 103(a) rejections of the claims that there is motivation for combining the references (Lencki and Kaehler) and therefore the Office takes the position that a prima facie case of obviousness has been made. For instance, the Applicant argues that Lencki does not teach a system “defining parameters including a claim submission method”. The Examiner respectfully disagrees. Lencki teaches a method and system of providing benefits. A user may determine or choose benefit choices (i.e. parameters; the present application states parameters include co-pays, deductibles, co-insurance, patient liability, etc.), where the benefit choices include co-pay/insurance, deductibles, out of pocket expenses, and more (Lencki: paragraphs [0189], [0275] and [0309]). In addition, Lencki teaches a claim submission method by introducing a flexible spending account (Lencki: paragraph [0193]), which is well known in the art for reimbursing a customer for medical expenses, for example. The present application defines a claim submission method (Luftig: paragraph [0052] of the specification) as, for example, a method where a member may select to be automatically reimbursed from the FSA for pre-designated items (i.e. co-pays) or a member may select to submit receipts for reimbursement.

The Applicant argues that Kaehler does not teach a system “for the HRA, determining whether HRA allocated amounts are to be carried over”. The Examiner respectfully submits that Kaehler discloses HRA accounts may accumulate and the funds retained in the HRA; these amounts may be retained from year to year as defined by the sponsor (paragraph [0033]). Thus, the Applicant's arguments are not persuasive and the rejection is maintained.

Conclusion

13. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH

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shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

14. Any inquiry concerning this communication or earlier communications from the examiner should be directed to KRISTINE K. RAPILLO whose telephone number is (571)270-3325. The examiner can normally be reached on Monday to Thursday 6:30 am to 4 pm Eastern Time.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Luke Gilligan can be reached on 571-272-6770. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

KKR

/C. Luke Gilligan/
Supervisory Patent Examiner, Art Unit 3626